



National U.S.-Arab Chamber of Commerce

الغرفة التجارية العربية الأمريكية الوطنية

July 11, 2006

Congressman Bill Thomas
Chairman
House Ways and Means Committee
2208 Rayburn House Office Building
Washington, D.C. 20515-0522

Dear Chairman Thomas:

On behalf of the National U.S.-Arab Chamber of Commerce (NUSACC) -- America's largest and longest serving chamber of commerce dedicated to U.S.-Arab business -- I encourage you to vote in favor of the U.S.-Oman Free Trade Agreement (FTA) as it comes to the floor for a vote. We see this FTA as a "win-win" opportunity for the United States and Oman, and we believe that support for this initiative will send a positive message about America's commitment to its friends in the Arab world and the high priority that our nation places on economic reform in the region.

I have recently returned from the Middle East, where I had an opportunity to discuss this FTA with government and business leaders in a number of countries. It is clear to me that they are watching U.S. Congressional actions very carefully and that how Congress votes on this issue will have a "ripple effect" on perceptions in the region. Oman is one of America's most steadfast friends in the Arab world. If there is not a strong vote in support of this FTA, serious questions will be raised about the wisdom and viability of economic engagement with the United States.

The House Ways and Means Committee delegation that visited Oman in late 2004 noted that "Oman has undertaken significant economic and political reforms in a short time, particularly in the banking and insurance sectors, demonstrating its capacity and willingness to use objective, transparent standards." Oman has come a long way in recent years to open up its economy and to ensure that the Sultanate is in compliance with relevant international business standards. In our view, implementation of the FTA would be the "capstone" of these efforts.

NUSACC's members, particularly our small and medium-sized enterprises (SMEs), need this FTA in order to help level the playing field vis-à-vis America's trade competitors -- many of which are signing their own FTAs in the region. China is on track to sign two dozen FTAs around the world in coming months, for example, and you can bet that these will have very little to say about such important issues as good governance, labor rights, and environmental protection. In the view of our chamber, Oman has made solid commitments to the United States with regard to these issues and others, and the time is right for Congress to demonstrate its support for Oman and this FTA.

NUSACC encourages free trade agreements between the United States and our trading partners because we believe that FTAs help both sides to increase exports, generate jobs, promote investment opportunities, develop business practices that are well suited to the international marketplace and, over time, improve the quality of life in the United States and the Middle East.

For a fuller discussion of why we believe the U.S.-Oman FTA is in America's best interests, I invite you to read my March 6, 2006 testimony before the Senate Finance Committee (attached), as well as a new issue of our chamber's newsletter (attached) that highlights recent developments and trends in Oman.

I hope that we can count on your support when the U.S.-Oman FTA is voted on in the very near future. If our chamber may be of service in any way, please don't hesitate to contact me.

Sincerely,

/S/

David Hamod
President & CEO